

SOLICITATION NO. MDL0031012426, “Demonstration of Innovative Technologies to Manage Animal Manure”

Questions & Answers

S1.1.3, How much funding is available to MDA to fund projects resulting from this RFP? Is there a limit as to how much money an Offeror can ask for?

\$2.5 million; no restrictions on request; Evaluation criteria will consider economic value to state & pricing may be a factor. (5.2.7 & 5.3)

Is this money approved and available? *Yes*

Will some of the money be used for low interest loans? *No*

In other grants, there is a percentage of the total cost that the recipient is responsible for. I don't see that is this grant. Does that mean this grant covers 100% of the project?

Match is not "required." See: Evaluation Criteria- 5.2.7 and 5.3. Financial contribution by applicants will be considered as part of evaluation and factor into "advantage" of proposal to state

S1.1.4, Each Contractor will have 48 hours to respond to a service request. We assume this is business hours—please clarify.

For normal concerns and questions it is business hours, for emergency situations, such as those potentially impacting health or safety, the contact information provided should be accessible during non-business hours.

S2.1.4

a. We can provide references for managing and implementing our technology processing various feedstocks. We have successfully managed and implemented our technology processing poultry litter in our Process Development Unit (PDU 250lbs/day) scale and have references available to this effect, will this fulfill the minimum qualifications clause? *Yes*

b. Additionally, it states that **all** subcontractors, experts or partners shall have at least 3 years' experience with the animal manure technology being proposed. Do you mean all, for example an electrical contractor or welder?

The intent is that principal partners or experts retained as contributors to the project have adequate background and experience to implement the demonstration and assure it operates as proposed. For purposes of this contract, MDA has quantified this level of experience as 3 years. It is not necessary to have the credentials of project installation crew or all workers on the project and MDA does not require they each have a minimum of 3 years experience.

S3.2.3 C.2.e “Business plan for expanding use to additional Maryland farms” is required in the close-out report. Normally business plans, for obvious reasons, are business confidential. Will the business plans submitted to fulfil this requirement be kept confidential?

RFP includes a process for identifying confidential information. Follow this process for identifying any components of required information, including report information, that are considered confidential. (S4.4.2.2)

3.2.3 C.2- Does this project need to be economically cost effective at demonstrated capacity or can we extrapolate for scale up?

Extrapolation can be used for different scales of implementation providing the data and any assumptions used are delineated and can be adequately justified.

S3.4.2 why is Errors and Omissions/Professional Liability insurance required? This is not a consulting contract—we will use the funds to design, build, install, operate/demonstrate, and monitor the performance of a plant for the state.

Errors and Omissions ("E & O") Insurance and Professional Liability Insurance are one and the same. The purpose of E & O coverage is to protect vendors them from errors (or omissions) they may make. In this case it would relate to professional culpability as it may relate to such expertise in implementing the demonstration such as engineering or site design.

In order to consummate at project we will have to provide cost sharing. We find the language at the beginning of the RFP confusing as to the nature of what the state is seeking in return for its money. In some places the RFP refers to “demonstrations,” other places it refers to “services.” We assume that the Contractor will retain ownership of the plant at all times including at the conclusion of the project, and the “service” the state desires is for the Contractor to demonstrate the Offerer’s technology and provide monitoring services and information. Please clarify.

The State is requesting proposal to demonstrate innovative animal waste technology. Within the context of a contract actions to accomplish the demonstration are expressed as services. The contractor retains ownership of the technology and the demonstration project.

S3.5.1, Risk analysis. “The Contractor must provide and maintain a Problem Escalation Procedure (PEP) for both routine and emergency situations.” Can you elaborate on this with examples—especially the level of “routine situations” involved?

Standard contract language. Sentence that follows requires a contact for emergencies and operational concerns. A routine question might relate to a complaint about odor or output.

S3.6.2, Payment schedule. Year 1 milestones refer to “Go live date: 20% contract amount.” This statement plus the fact that the percentages for Year 1 add up to 100% imply that all project money must be spent in Year 1. If so, we are confused about the relationship between the year 1 and year 2 budget. [contract language], Also, “Costs associated with year 2 should address time spent to monitor and report on the operation of the project during one (1) year’s operation as required in the Proposal package.” See Financial Proposal form

For ease of explanation, payment schedule assumes 1 year’s time from go live date to technology being operational. Therefore the 1 year of monitoring operation of technology is shown as year 2. The breakout of payments allows for 75% of contract costs to be paid out once technology operational for 3 months. At end of 1 year’s operation the final 25% may be billed. MDA reserves the right to withhold or reduce payment in the event the Contractor doesn’t provide all deliverables in the timeframe specified.

S4.4.2.6 f, “Provide location map and site plan.” We assume the location map is a something like a county or state map that shows the location of the project site. We assume that the site plan shows the components of the project on a map that shows other buildings, etc, at the site. Is this what you are looking for?

Looking for locational map, adequate to geographically mark site, county scale showing nearby roads or other understandable landscape features is acceptable.

S4.4.2.6 j, “The Offeror must describe readiness to install a project utilizing this technology within 1 year of award, including....” This seems to conflict with the payment schedule which refers to “Completion of 1 year of operation: 25%” as part of the payments for Year 1.”

The intent is to have demonstrations up and running within 1 year of award/contract and the RFP requires a response indicating this to be likely. Applicants that are unlikely to be able to be operational within 1 year will be evaluated as less responsive to RFP and rated accordingly.

However, we do have a contingency to extend the contract at no additional cost to State. For example, if full implementation is delayed and occurs 15 months after go live date, it follows that an additional 12 months of operation will extend beyond the 2 year contract. At the State’s discretion, a contract may be extended to address delays or to the 1 year of operation requirement.

S 7.1 Licensing: “If the Contractor furnishes any design, device, material, process, or other item, which is covered by a patent, trademark or service mark, or copyright or which is proprietary to, or a trade secret of, another, the Contractor shall obtain the necessary permission or license to permit the State to use such item or items.” This goes back to our previous question about who owns the demonstration facility during and after the contract is finished. If the Offeror/Contractor owns the facility and the technology, than we don’t see licensing for the state as a necessity. Please clarify.

The intent of the standard language is to assure that the State is not inadvertently in violation of a third party’s confidentiality or copyright protection by virtue of the applicant employing the component in the proposed demonstration and the State making information about the project, which may include information about certain copyrighted components, public.

S28.1 Liability: Your breach terms are one sided. What about state liability if the state is in breach?

It is unclear what an example of the State being in breach of contract would be. This is standard contract language. The State has legal requirements spelled out in Tort Claims law.

Attachment G: Living wage requirements. “This contract is subject to the Living Wage requirements under Md. Code Ann., State Finance and Procurement Article, Title 18, and the regulations proposed by the Commissioner of Labor and Industry (Commissioner)....” Please provide details on any regulations the Commissioner has proposed that would apply to a contract under this RFP.

Information available on Maryland Department of Labor, Licensing and Regulation website.

<http://www.dllr.state.md.us/labor/prev/livingwage.shtml>

<http://www.dllr.state.md.us/labor/prev/livingwageregs.shtml>

Can we arrange for faculty from UMD to work with us or are they going to be involved with monitoring the projects?

MDA plans to work with University of Maryland to address monitoring of projects. It is not MDA’s intent to have this relationship preclude applicants from working with individuals employed at UM.

Can UMD faculty be paid for services as a subcontractor under a contract awarded under this RFP? If so, can MDA specify a limit on UMD overhead charges since UMD is a state entity?

Faculty can be paid as subcontractor if requirements in RFP adhered to. RFP does not impose a limit on overhead charges. As described in financial proposal instruction-Attachment F- paragraph K- “all financial proposal prices ...are to be fully loaded prices that include all costs/expenses associated with the provision of services...”

Will those that submit proposals receive reviewer’s comments for their proposals at the conclusion of the review process? *Yes*

What steps are taken by MDA to protect the confidentiality of the technology and proposals during the review process? Will reviewers have to sign NDAs?

Reviewer sign Non-disclosure forms for protection of confidential information.

Would it be possible to change sites for demonstration unit after contract due to unforeseen circumstances?

Offerors are required to identify the site to be utilized for purposes of the demonstration and the chosen site will be a consideration in the overall technical evaluation of the project. If the site is not secured or is in any way considered tentative, this must be disclosed in the proposal. MDA may consider, at its discretion, modification of the site location due to unforeseen circumstances after the contract is executed.

If we are working with poultry litter broker, who has existing agreements with various farmers and the broker will supply all of the litter for this project, is it still necessary to get all of the farmers to sign agreements for this project?

A statement of intent would be needed for the broker and/or any farmers who will supply manure and participate with offeror.

Should the Nutrient Mass Balance be demonstrated in the technical proposal?

Yes, the proposal must address how the technology will modify the nutrient balance related to manure in general and its use as an input/output of nutrients in Maryland. (Section 2.1)

Are the reports that are required considered public information?

If the reports include confidential information that has previously been identified as an area to be protected, the components of the reports that include confidential information will be protected from public release.

Prior to the demonstration, who owns the equipment? Who has the rights and for what purposes?

The bid does not include ownership by the State of tangibles, just rights to information about the technology demonstrated and outcomes of the projects.

Who's operating this plant? Is it the offerer, a third party, a farm facility, etc?

Offerer identifies responsible parties in the proposal.

Define the term "Operational" after one year. What exactly does operational mean.

The project should be functioning as proposed for a period of 12 months. There may be allowances for short time periods required for adjustments or recalibrations during the 12 months.

Do you foresee any flexibility on the payment draw schedule? *No*

If we have established lines of credit, will that be counted as cash in hand? As well as letters from creditors? *Yes*

It doesn't seem like this is going to be a self-funding grant and the offerer is going to have to have some internal funds to carry the load to get to each payment milestone; is that correct?

Yes, first draw at contract execution (20%), thereafter offerors are paid in accordance with percentages for meeting milestones

You said that if a contract extension is allowed it would be at no cost to the State is that correct?

Yes, extensions may be approved at MDA's discretion if implementation is delayed. Additional costs, above the executed contract, are at expense of offeror.

Is it mandatory that we always work with a farmer? If we were to build a portable system and take it from farm to farm to farm; how would I reflect that in the proposal?

Farmers whose agricultural operation produces and must manage manure need to be beneficiaries of the technology demonstration. Project does not have to be on a farm site.

So letters of interest in the project from the farmers would work? *Yes*

Are we obligated to include the cost of monitoring in the proposal?

No, the State cannot use funds available in the RFP to pay for monitoring.

If monitoring is not of the project; what do you mean when you say monitoring?

Offerors are required to agree that they will cooperate and assist in the development and implementation of monitoring plans to ascertain the performance of the demonstrated technology. Monitoring may include quantity and nutrient value of inputs and outputs, tracking of operating and maintenance time and costs and other elements that will inform the State about consequences of expanding the adoption of technology.

If testing or laboratory analysis is required to get your structure permitted are those cost covered?

Yes, those costs eligible.

When will contracts be awarded?

Projecting June, 2014

Could you discuss briefly from your perspective as to where the project sits in the range from concept to commercialism? Where in that spectrum do you think the proposal should be?

Projects should not be in conceptual phase. Research and development requests are not eligible for funding. Projects should have been operational, at a minimum in a research or bench test scale and may have been fully implemented or available commercially in some other state/country.

Do you specifically require that whatever technology that we present has been operational at some point? elsewhere for at least three years; is that correct? *Yes*

If the vendor wants to see more than one project site; should the vendor submit more than one proposal?

Yes, submit separate proposals if more than one demonstration site or operation type being proposed. These will be considered separately on their individual merits.

Is the review committee just basically state agency people or private individuals?

Review committee members not finalized yet; intent to include state agencies, university and subject matter experts.

If you get proposals from different companies that have very compatible processes; will you put those companies together and let them know that you guys might want to work together through a related service? *No, this is not an iterative process.*

If money to do the same thing is proposed for next year's budget; can we assume that it will be pretty much shaped like this one? Can we avoid the DBM bidding process?

RFP is likely to have similar objectives, but the format and process may be different.

Would you agree that if a competitive proposal was not funded this round, that it could make it into the written agreement for next year (w/o application) and be awarded in 2015?

No, competitive process would have to be reinitiated.

If you had a flood of excellent proposals and select the highest ranked ones and if for some reason or another the one that was selected can't complete the contract and there will be money left over. Can you re-grant those funds to the other next highest ranked?

Applicants have a set timeframe in which to accept and complete contract and related information. If they decline, MDA selects the next highest ranked responsive bidder. (Section 5.6)

If you had four (4) good ideas; each one had a budget of \$800,000; and you would love to see all four of them. Are you going to award money three of them? Or are you going to look at it and say I like the technology is this one and award only three the \$800,000 because that all the money you have? Or would you award \$600,000 to all four instead?

Process allows MDA to request best and final offer from bidders. We don't continue to negotiate costs. Funding will be approved to fully fund all highest ranked proposals within the funding allocation. Any fund balances may be added to future year RFPs.

I have a question on the scope of technology here. You are looking for technology that reduces nitrogen and phosphorus demonstration as an end result of the technology processing?

Yes, that is one of the criteria.

Do you have a timeline for the presentations?

Not specifically, probably mid-March to early April.